

Message Text

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USOECD

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TAGS: AORG, NATO, OECD

SUBJECT: COORDINATING COMMITTEE OF GOVERNMENT BUDGET
EXPERTS (CCG)

REF: (A) USNATO 4246; (B) USNATO 4273; (C) USNATO 4411;
(D) STATE 80872; (E) STATE 78540; (F) STATE 118523;
(G) USNATO 4713

1. EUR/RPE OFFICER RESPONSIBLE FOR CCG MATTERS RECENTLY
VISITED HOST GOVERNMENT OFFICIALS IN PARIS, BONN AND LONDON,
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U.S. REPS HANDLING CCG MATTERS IN PARIS AND BRUSSELS, AND
MET WITH CCG CHAIRMAN DE THEULEGOT IN BRUSSELS, TO DISCUSS
CCG ISSUES. THE FOLLOWING INSTRUCTIONS ON ISSUES WHICH
MAY BE CONSIDERED AT MAY 17-18 CCG MEETING IN STRASBOURG
REFLECT THESE DISCUSSIONS.

2. COST-OF-LIVING (COL) ADJUSTMENT EFFECTIVE JANUARY 1,

1978. WE SEE NO NEED TO PROVIDE INTERIM SEMI-ANNUAL ADJUSTMENT FOR COORDINATED ORGANIZATIONS STAFF STATIONED IN COUNTRIES WHERE RATE OF INFLATION IS MINIMAL; THE ANNUAL ADJUSTMENT UNDER 133RD REPORT PROCEDURES APPEARS ADEQUATE IN SUCH CASES. WE CAN THEREFORE ACCEPT TRIGGER THRESHOLD CONCEPT (PARA 3 REF A). SINCE INDICES IN CCG/W(78)6(REV.) ARE FOR SIX MONTHS, WE BELIEVE THAT INDEX OF 102.0, WHICH

CORRESPONDS TO FOUR PERCENT ANNUAL RATE OF INFLATION, REPRESENTS REASONABLE TRIGGER THRESHHOLD. WE CAN ACCEPT EITHER "102.0" OR "ABOVE 102.0" AS TRIGGER POINT. IN CASES WHERE INDEX EXCEEDS TRIGGER THRESHHOLD, WE COULD ACCEPT ADJUSTMENT UP TO FULL COL INCREASE IF THERE IS NO SUPPORT FROM OTHER DELEGATIONS FOR LESSER ADJUSTMENT. INSTRUCTIONS IN PARA (2) REF (E) STILL APPLY IF INTERIM SALARY ADJUSTMENT EXCEEDS AMOUNT GRANTED SUBSEQUENTLY UNDER 133RD REPORT PROCEDURES. WE WOULD LIKE TO SEE THIS ISSUE SETTLED AT MAY CCG MEETING, RATHER THAN DRAG ON FOR ANOTHER MONTH OR MORE.

3. COST-OF-LIVING INCREASE - TURKEY. SITUATION FOR COORDINATED ORGANIZATIONS STAFF IN TURKEY REQUIRES IMMEDIATE ATTENTION. AS INDICATED REF (F), WE CAN ACCEPT THE 151ST REPORT, DOCUMENT CCG(78)5.

4. JOINT PENSION SCHEME - REVERSIONARY RIGHTS FOR LIMITED OFFICIAL USE

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WIDOWERS. DISCUSSIONS IN PARIS, BONN, BRUSSELS AND LONDON CLEARLY INDICATE THAT FURTHER CONSIDERATION OF THIS MATTER BY OECD EXECUTIVE COMMITTEE WOULD BE COUNTER-PRODUCTIVE. BRITISH VIEWS ARE STRONGLY HELD AND ARE NOT RPT NOT LIKELY TO BE MODIFIED AT THIS POINT AS A RESULT OF FURTHER REPRESENTATION BY OECD DEPUTY SECRETARY GENERAL WOOTTON. USOECD SHOULD THEREFORE SEEK TO DISENGAGE OECD EXECUTIVE COMMITTEE FROM FURTHER CONSIDERATION OF THIS MATTER, WHILE USG CONTINUES TO WORK QUIETLY THROUGH BIALTERAL CHANNELS AND THROUGH CCG TO CONVINCE HMG TO MODIFY ITS VIEWS. CCG CHAIRMAN DE THEULEGOET BELIEVES BELGIUM AND NETHERLANDS WILL IN DUE COURSE ACCEPT FULL REVERSIONARY RIGHTS FOR WIDOWERS IF RPT IF DISCUSSION IS CONFINED TO CCG. SOLUTION ACCEPTABLE TO US WOULD BE FOR OECD EXECUTIVE COMMITTEE OR COUNCIL TO REFER MATTER BACK TO CCG. ALTHOUGH THIS ITEM NOT ON AGENDA FOR STRASBOURG MEETING, IT MAY BE RAISED BY OTHER DELEGATIONS (REF G) UNDER OTHER BUSINESS. IN SUCH CASE YOU SHOULD INDICATE US SUPPORT FOR CCG CONSIDERATION OF THE ISSUE, BUT SEEK TO DELAY DISCUSSION UNTIL JUNE CCG MEETING.

5. CCG VICE CHAIRMAN. WE ARE, AT LEAST FOR THE TIME

BEING, SATISFIED WITH PRESENT ARRANGEMENT WHEREBY CCG HAS A FULLTIME CHAIRMAN AND NO VICE CHAIRMAN. CCG CHAIRMAN DE THEULEGOET OPERATES OUT OF GOB OFFICE IN BRUSSELS AND IS FREE TO CONSULT WITH CCG REPS AT NATO AND OECD, AS WELL AS WITH CAPITALS, WHEN NECESSARY. WE SUPPORT SUCH AN ACTIVIST ROLE FOR CCG CHAIRMAN AND, UNDER THE CIRCUMSTANCES, SEE NO NEED FOR A VICE CHAIRMAN. IF IT SUBSEQUENTLY DEVELOPS THAT A VICE CHAIRMAN WOULD BE DESIRABLE, WE AGREE WITH DE THEULEGOET THAT TWO, ONE IN BRUSSELS AND ONE IN

PARIS, WOULD BE PREFERABLE.

6. SUBSISTENCE ALLOWANCES. YOU MAY ACCEPT 152ND REPORT ON THIS ITEM. BELIEVE CORRECT DOCUMENT NUMBER IS LIMITED OFFICIAL USE

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CCG(78)6.

7. EUROPEAN PATENT OFFICE (EPA) APPLICATION FOR FULL CCG PARTICIPATION. PLEASE ADVISE WHICH COUNTRIES ARE EPA MEMBERS. AS INDICATED PREVIOUSLY, WE WOULD HAVE NO OBJECTION TO FULL CCG PARTICIPATION BY AN INTERNATIONAL ORGANIZATION WHOSE MEMBERSHIP DOES NOT EXTEND BEYOND THE OECD COUNTRIES.

8. SALARY ADJUSTMENT PROCEDURES AFTER JUNE 30, 1978. THE 133RD REPORT PROCEDURES ARE VALID ONLY THROUGH JUNE 30, 1978. WE BELIEVE CCG SHOULD ADDRESS PROBLEM OF SALARY ADJUSTMENT PROCEDURES AFTER JUNE 30, 1978 AT EARLIEST OPPORTUNITY. WE WOULD LIKE TO SEE BASIC CONCEPTS OF 133RD REPORT CONTINUE IN EFFECT AFTER JUNE 30, 1978. WE WILL NOT RPT NOT PROPOSE CHANGES TO THE 133RD REPORT, BUT ARE WILLING TO CONSIDER OTHERS' SUGGESTIONS. WE DEFINITELY WISH TO RETAIN CCG, OPERATING UNDER CONSENSUS PRINCIPLE, AS THE MECHANISM FOR COORDINATING SALARY, ALLOWANCE, PENSION, ETC. MATTERS IN THE COORDINATED ORGANIZATIONS. MISSIONS SHOULD EXPLORE INFORMALLY WITH OTHER CCG DELEGATIONS THEIR THOUGHTS ON SALARY ADJUSTMENT REACTIONS TO THE DEPARTMENT. BRITISH, GERMANS AND BELGIANS HAVE ALREADY EXPRESSED SATISFACTION WITH 133RD REPORT PROCEDURES AND WOULD SUPPORT CONTINUATION. SECRETARIES GENERAL, HOWEVER, MAY SEEK MAJOR MODIFICATIONS, AND MISSIONS SHOULD BE ALERT TO MOVES WHICH MIGHT UNDERCUT CCG ROLE. VANCE

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